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8 *Attorneys for Complainant*

10 **BEFORE THE**
 11 **CALIFORNIA GAMBLING CONTROL COMMISSION**
 12 **STATE OF CALIFORNIA**

13 In the Matter of the Accusation Against:

15 ARTICHOKE JOE'S, a California Corporation
 dba ARTICHOKE JOE'S CASINO
 16 659 Huntington Avenue
 San Bruno, CA 94066-0000

17 Gambling License No. GEGE-001007

18 Respondent.

CGCC Case No. _____

OAH No. _____

19 **STIPULATION FOR MODIFIED**
 20 **EMERGENCY ORDER**

21 **STIPULATION**

22 1. Criminal loan-sharking in relation to the operation of controlled games cannot be
 23 tolerated under the Gambling Control Act. Accordingly, the Bureau of Gambling Control and
 24 Artichoke Joe's (hereafter the Parties) stipulate to the Gambling Control Commission's issuance
 25 of the attached Modified Emergency Order pursuant to Business and Professions Code section
 26 19931, subdivision (c). The attached order shall remain in effect until the ^{further} ~~final~~ order of the
 27 Commission ~~is made in relation to the pending accusation against Artichoke Joe's that was filed~~
 28 ~~herein on March 4, 2011.~~

1 2. On or before April 11, 2011, the Parties shall meet and confer to reach a
2 comprehensive resolution of the pending accusation and any known claims which could be the
3 subject of an accusation against Artichoke Joe's, including measures that attempt to assure the
4 complete cessation of criminal loan-sharking in relation to the operation of controlled games.

5 3. If the Parties are unable to reach such a resolution/settlement by April 11, 2011, the
6 Parties expressly agree to the within referenced disciplinary matter being heard by the
7 Commission sitting with an Administrative Law Judge in Sacramento, California, to commence
8 no later than May 2, 2011, at the Commission's calendaring convenience.

9 4. The parties shall jointly request that the Administrative Law Judge render his or her
10 written proposed decision within fifteen (15) days of the hearing, and that the Commission review
11 and approve, disapprove or modify the proposed decision within thirty (30) days thereafter.

12 5. Artichoke Joe's expressly and unequivocally waives any claims that it may have
13 regarding the Bureau's issuance of its emergency order on March 2, 2011, the administrative
14 procedure to implement it, and/or the closure of Artichoke Joe's Card room in reliance upon that
15 emergency order. Artichoke Joe's, however, does not waive any claims or rights to the timely
16 return of any property seized during the inspection on March 2, 2011, provided such claim is
17 timely made, or to discovery of documents needed to defend against the Accusation pursuant to
18 Government Code section 11507.6.

19 6. By entering into this Stipulation, Artichoke Joe's does not admit or deny the
20 allegations in the accusation, or waive or prejudice any of its defenses, claims or rights in
21 response to the accusation.

22 7. By entering into this Stipulation, the Bureau of Gambling Control does not waive any
23 factual allegations or legal bases as cause(s) for discipline in relation to the within referenced
24 pending disciplinary matter, and reserves all rights with regard to any disciplinary hearing that
25 may be held in this matter.

26 8. The parties agree to jointly submit this stipulation to the Gambling Control
27 Commission at the earliest available date, and acknowledge that this stipulation and the attached
28 modified emergency order are subject to Commission approval under Business and Professions

1 Code section 19931, subdivision (c), and further agree that no member of the Commission, nor
2 the Executive Director of the Commission, shall be disqualified from the hearing or determination
3 of the Accusation by of his/her consideration of this Stipulation.

4 **IT IS SO STIPULATED.**

5 Dated: March 8, 2011

BUREAU OF GAMBLING CONTROL

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7
8 MARTIN HORAN, JR.
Acting Chief of the Bureau of Gambling Control
California Department of Justice, Complainant

10 Dated: March 8, 2011

KAMALA D. HARRIS
Attorney General of California
SARA J. DRAKE
Senior Assistant Attorney General

11
12
13
14 WILLIAM L. WILLIAMS, JR.
Deputy Attorney General
Attorneys for Complainant

16
17 Dated: March 8, 2011

18
19 DENNIS SAMMUT
Owner of Aritchoke Joe's Casino

20 Dated: March 8, 2011

21
22 NIELSEN MERKSAMER PARRINELLO
GROSS & LEONI, LLP

23
24
25 JAMES R. PARRINELLO
SEAN P. WELCH
Attorney for Aritchoke Joe's Casino

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**BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION
STATE OF CALIFORNIA**

In Re:

ARTICHOKE JOE'S, a California Corporation
dba ARTICHOKE JOE'S CASINO
659 Huntington Avenue
San Bruno, CA 94066

Gambling License No. GEGE-001007.

Respondent.

CGCC Case No. _____

OAH No. _____

MODIFIED EMERGENCY ORDER

EMERGENCY ORDER

**TO: ARTICHOKE JOE'S, a California Corporation
dba ARTICHOKE JOE'S CASINO
659 Huntington Avenue
San Bruno, CA 94066**

1. Effective March 10, 2011, the suspension of the state gambling license of Artichoke Joe's and the prohibition from offering controlled games as set forth in the March 2, 2011, emergency order by the Department of Justice, Bureau of Gambling Control (Bureau) is lifted subject to the following conditions:

1 2. Artichoke Joe's shall take any and all reasonable steps to assure that no criminal loan-
2 sharking occurs in relation to the operation of the gambling establishment and/or any controlled
3 games, including but not limited to reorganization of its operation, and supervision of its games.

Attached as Exhibit A is Artichoke Joe's initial plan.

4 3. Artichoke Joe's shall provide that its surveillance of the public areas is monitored by
5 trained staff live 24 hours a day, everyday. Artichoke Joe's shall allow the Bureau upon request
6 immediate and full investigatory access to its operational security and surveillance, including
7 surveillance video, to assure that criminal loan-sharking not take place.

8 4. Pai Gow games played with tiles shall not be offered as a controlled game at any table
9 within Artichoke Joe's while this order is in effect or until it is modified by further order of the
10 Commission.


11 5. No podium and/or satellite cage in the Pai Gow Tiles section of Artichoke Joe's shall
12 be used to store gambling equipment, cash, chips or cash equivalents.

13 6. Artichoke Joe's shall fully cooperate in the Bureau's investigation of criminal loan-
14 sharking that is the subject of the Bureau's emergency order, including but not limited to,
15 allowing full access to Artichoke Joe's employees for interview. This paragraph shall not be
16 construed to require Artichoke Joe's to infringe upon the legal rights of employees or third
17 parties. This paragraph shall not be construed as a waiver of the right against self-incrimination,
18 the right to legal representation, or the attorney-client privilege.

19 7. Any violation of the conditions set forth in this order shall constitute a separate basis
20 for administrative action and may result in reinstitution of the emergency closure order.

21 **SO ORDERED.**

1
2 DATED: March 10, 2011


STEPHANIE SHIMAZU
Acting Chairperson, CGCC

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4
5 DATED: March 10, 2011


JAMES SHELBY
Commissioner, CGCC

6
7 DATED: March 10, 2011


TIFFANY CONKLIN
Commissioner, CGCC

March 7, 2011

REORGANIZATION PLAN

Because of the closure of the Artichoke Joe's Card Club due to the accusations brought by the Bureau of Gambling Control, Artichoke Joe's has agreed to implement a reorganization plan. Although the accusations were specific to employees working in the Pai Gow Tiles section, the plan goes beyond that section.

- 1) All employees working in the Pai Gow tiles section will be suspended without pay immediately, including Weylin Fong, the key employee who managed the Pai Gow Tiles section. None of these employees will be allowed to return to work except as discussed below; anyone not allowed to return to work will be terminated.
- 2) Artichoke Joe's will hire on a full-time consulting basis, for a minimum 90 day period, a gaming expert with law enforcement background to (i) evaluate suspended Pai Gow department employees for purpose of possible re-hiring; and (ii) advise Artichoke Joe's as to methods and procedures to maintain a gaming floor free from illegal activities including loan sharking and assist Artichoke Joe's in installing such procedures. Artichoke Joe's intends to offer this position to William Zender, a gaming expert and former Nevada gaming control board employee; Mr. Zender is out of the country until Wednesday of this week but if he is unavailable for this consultancy, Artichoke Joe's will retain another person of similar credentials.
- 3) All of the specific allegations (causes for discipline) in the accusation filed by the Bureau of Gambling Control will be addressed in special training sessions.
 - a) Loan-Sharking. All employees will be taught that it is a priority to be on the alert for any signs of loan-sharking. They will be given tips on what to look for and how to report it to their supervisors.
 - b) Illegal Drugs. All employees will be taught that it is a priority to be on the alert for any signs of illegal drugs. The sale of or use of illegal drugs is strictly prohibited. They will be trained on what to look for and how to report any suspicious behavior to their supervisor.
 - c) Large or Suspicious Cash Transactions. All cash handling employees in the card room department, as well as all cage cashiers, will receive a special retraining on large or suspicious cash transactions. All cash tracking forms and title 31 reporting requirements will be reviewed.
- 4) Pai Gow Tiles and Other Floor Podiums – The Pai Gow tiles podium will be closed and not reopened until such time as pai gow tile games are allowed to operate, at the earliest. Strict guidelines will be adopted on the use of all floor podiums. It will be stressed that podiums are only for use by on-duty employees for work related activities, work sheets, tracking logs, rack count-downs, etc. Patrons are prohibited from using the podiums for any reason.

Exh. 6.4 A